

**Organization and Functions**

# **United States Army Cost and Economic Analysis Center**

**Headquarters  
Department of the Army  
Washington, DC  
1 June 1985**

**UNCLASSIFIED**

Report Documentation Page		
<b>Report Date</b> 01 Jun 1985	<b>Report Type</b> N/A	<b>Dates Covered (from... to)</b> -
<b>Title and Subtitle</b> Organization and Functions: United States Army Cost and Economic Analysis Center	<b>Contract Number</b>	
	<b>Grant Number</b>	
	<b>Program Element Number</b>	
<b>Author(s)</b>	<b>Project Number</b>	
	<b>Task Number</b>	
	<b>Work Unit Number</b>	
<b>Performing Organization Name(s) and Address(es)</b> Department of the Army Headquarters Washington, DC	<b>Performing Organization Report Number</b>	
<b>Sponsoring/Monitoring Agency Name(s) and Address(es)</b>	<b>Sponsor/Monitor's Acronym(s)</b>	
	<b>Sponsor/Monitor's Report Number(s)</b>	
<b>Distribution/Availability Statement</b> Approved for public release, distribution unlimited		
<b>Supplementary Notes</b>		
<b>Abstract</b>		
<b>Subject Terms</b>		
<b>Report Classification</b> unclassified	<b>Classification of this page</b> unclassified	
<b>Classification of Abstract</b> unclassified	<b>Limitation of Abstract</b> UU	
<b>Number of Pages</b> 7		

# ***SUMMARY of CHANGE***

AR 10-85

United States Army Cost and Economic Analysis Center

This June edition is the first printing of AR 10-85. It sets forth the mission (para 3) and principal functions (para 4) of the United States Army Cost and Economic Analysis Center (USACEAC). It also prescribes USACEAC's command and staff relationship (para 5) with the Comptroller of the Army (COA); Office of the Secretary of the Army (OSA); Office of the Secretary of Defense (OSD); Department of the Army (HQDA) agencies; and Major Army Commands (MACOMs).

Organization and Functions

United States Army Cost and Economic Analysis Center

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By Order of the Secretary of the Army:

JOHN A. WICKHAM, JR.  
General, United States Army  
Chief of Staff

Official:

DONALD J. DELANDRO  
Brigadier General, United States Army  
The Adjutant General

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**History.** This UPDATE printing publishes a new Army regulation which is effective 1 June 1985.

**Summary.** This regulation assigns the mission and principal functions of the U.S. Army Cost and Economic Analysis Center. It includes functions previously performed by the Cost Analysis Directorate, Office of the Comptroller of the Army, and the Cost Analysis Division, U.S. Army Finance and Accounting Center.

**Applicability.** This regulation applies to the Active Army, the Army National Guard, and the U.S. Army Reserve.

**Proponent and exception authority.** Not applicable

**Army management control process.**  
**Supplementation.** Supplementation of this regulation is prohibited without prior approval from HQDA (DACA-ZX), WASH DC 20310-2080.

**Interim changes.** Interim changes to this

regulation are not official unless they are authenticated by The Adjutant General. Users will destroy interim changes on their expiration dates unless sooner superseded or rescinded.

**Suggested Improvements.** The proponent agency of this regulation is the Office of the Comptroller of the Army. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to HQDA (DACA-ZX), WASH DC 20310-2080.

**Distribution.** Active Army, ARNG, and USAR: D.

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**RESERVED**

## 1. Purpose

This regulation sets forth the mission and functions of the U.S. Army Cost and Economic Analysis Center (USACEAC). It also prescribes relationships with the Office of the Secretary of the Army (OSA), other Army elements, and Office of the Secretary of Defense (OSD).

## 2. Explanation of abbreviations

- a.* BCE—baseline cost estimate.
- b.* COEA—cost and operating effectiveness analysis.
- c.* EPA—Extended Planning Annex.
- d.* ICE—independent cost estimate.
- e.* MACOM—major Army command.
- f.* OSA—Office of the Secretary of the Army.
- g.* OSD—Office of the Secretary of Defense.
- h.* POM—Program Objective Memorandum.
- i.* SAR—Selected Acquisition Report.
- j.* USACEAC—U.S. Army Cost and Economic Analysis Center.

## 3. Mission

The mission of USACEAC is to produce uniform, consistent, and accurate independent cost estimates (ICEs) and force unit and structure cost estimates; administer cost research programs; and provide direction for the Army's cost analysis career program.

## 4. Functions

The principal functions of USACEAC are as follows:

- a.* Provide the following cost estimates:
  - (1) ICEs.
  - (2) Individual force units.
  - (3) Aggregations of force units.
- b.* Serve as the Army's independent appraiser for weapon systems cost estimates and force unit and structure cost estimates.
- c.* Participate in determining cost and operating effectiveness analyses (COEAs) costs by providing a member to the Study Advisory Group.
- d.* Provide quick answers to contingency costing questions posed by members of the Army Staff, Army Secretariat, Department of Defense, and Congress.
- e.* Support cost risk and affordability analyses.
- f.* Support Army Program Objective Memorandum (POM) and Extended Planning Annex (EPA) formulation with individual weapon system and force unit cost estimates.
- g.* Support Army budget preparation with individual weapon system and force unit cost estimates.
- h.* Prepare cost models.
- i.* Administer cost research contracts.
- j.* Prepare and maintain a cost data base.
- k.* Provide guidance and direction to major Army commands (MACOMs) for estimating and reporting baseline cost estimates (BCEs).
- l.* Serve as the Headquarters, Department of the Army point of contact for Selected Acquisition Reports (SARs).
- m.* Provide and maintain cost handbooks for use in the force planning process.
- n.* Provide cost factors to the Director of Army Budget and to the Director of Operation and Maintenance, Army.
- o.* Give direction to and coordinate the Cost Analysis Career Program.
- p.* Provide guidance to MACOMs for preparing economic analyses.

## 5. Command and staff relationships

- a.* USACEAC is a field operating agency of the Comptroller of the Army.
- b.* The Director, USACEAC serves as the Assistant Comptroller of the Army for Cost Analysis.
- c.* USACEAC is authorized direct contact with Department of the Army proponent staff agencies and MACOMs for the coordination of issues relating to cost estimates.

*d.* Communications with OSA and OSD will be sent through the Office of the Comptroller of the Army.

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**PIN 057706-000**

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ELECTRONIC PUBLISHING SYSTEM  
TEXT FORMATTER ... Version 2.56

PIN: 057706-000

DATE: 11-04-98

TIME: 13:38:56

PAGES SET: 5

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DATA FILE: ar10-85.fil

DOCUMENT: AR 10-85

DOC STATUS: NEW PUBLICATION